



MICHIGAN
HOUSE OF REPRESENTATIVES
P.O. Box 30014
LANSING, MICHIGAN 48909-7514

MINUTES OF THE COMMITTEE
ON
REGULATORY REFORM

Tuesday, December 4, 2018 8:15 a.m. Room 519 House Office Building

The House Standing Committee on Regulatory Reform was called to order by the Chair.

Members present: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Absent/Excused: Reps. Kesto, Love.

Representative Moss moved to adopt the minutes of November 28th, 2018. There being no objection, the motion prevailed by unanimous consent.

The Chair laid SB 1154, SB 1155, SB 1156, SB 1157, SB 1158, SB 1159, SB 1160, SB 1161, SB 1162, SB 1163, SB 1164, SB 1165, SB 1166, SB 1167, and SB 1168 before the committee:

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| SB 1154 | (Rocca) | Liquor; manufacturer; limitations on sale of beer for on-premises consumption on licensed brewery premises; modify. |
| SB 1155 | (Rocca) | Liquor; manufacturer; sales of alcoholic liquor between certain manufacturers; allow. |
| SB 1156 | (Rocca) | Liquor; wine; definition of wine; expand to include cider. |
| SB 1157 | (Rocca) | Liquor; distribution; reference to section 109 of the Michigan liquor control code of 1998; update. |
| SB 1158 | (Rocca) | Liquor; manufacturer; reference to section 109 of the Michigan liquor control code of 1998; update. |
| SB 1159 | (Hune) | Liquor; manufacturer; multiple manufacturing licenses and tasting rooms; provide for. |
| SB 1160 | (Hune) | Liquor; manufacturer; definitions of manufacture, manufacturer, manufacturing premises, and mixed spirit drink manufacturer; add or modify. |
| SB 1161 | (Hune) | Liquor; spirits; requirements for tasting rooms for small distiller license; modify. |
| SB 1162 | (Hune) | Liquor; licenses; reference to section 111 of the Michigan liquor control code of 1998; update. |

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| SB 1163 | (Hune) | Liquor; licenses; reference to section 111 of the Michigan liquor control code of 1998; update. |
| SB 1164 | (Warren) | Liquor; other; provision related to classes of vendors permitted to sell alcoholic liquor at retail; modify. |
| SB 1165 | (Warren) | Liquor; other; alternating proprietorship, approved tasting room, bottle, brandy manufacturer, and brewer; add or modify definitions. |
| SB 1166 | (Warren) | Liquor; wine; definitions of restaurant, sale, and shiner; add or modify. |
| SB 1167 | (Warren) | Liquor; wine; definition of wine; expand to include cider. |
| SB 1168 | (Warren) | Liquor; retail sales; reference to section 537; update. |

Senator Rocca, Scott Graham, representing the Michigan Brewers Guild, Rob Elhenicky representing the Michigan Wine Producer, and Brett Visner, representing the Michigan Beer and Wine Wholesalers Association, testified in support of the bills.

The Chair laid SB 1181 before the committee:

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| SB 1181 | (MacGregor) | Liquor; advertising; cooperative advertising; prohibit. |
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Senator MacGregor and Scott Graham, representing the Michigan Brewers Guild, testified in support of the bill. Questions and discussion followed.

The chair returned to SB 1154, SB 1155, SB 1156, SB 1157, SB 1158, SB 1159, SB 1160, SB 1161, SB 1162, SB 1163, SB 1164, SB 1165, SB 1166, SB 1167, SB 1168, and continued on with SB 1181.

The following people submitted cards in support of SB 1154, SB 1155, SB 1156, SB 1157, SB 1158, SB 1159, SB 1160, SB 1161, SB 1162, SB 1163, SB 1164, SB 1165, SB 1166, SB 1167, and SB 1168 but did not wish to speak:

Tony Mitchell, representing the Michigan Spirits Association.
Rick Wyble, representing the Michigan Craft Distillers Association.
Kerry Krone, Julie Wendt, and David Marvin, representing the Michigan Liquor Control Commission.

The following people submitted cards in support of SB 1154, SB 1155, SB 1156, SB 1157, SB 1158, SB 1159, SB 1160, SB 1161, SB 1162, SB 1163, SB 1164, SB 1165, SB 1166, SB 1167, SB 1168, and 1181 but did not wish to speak:

Amy Drumm, representing the Michigan Retailers Association.
Scott Ellis, representing the Michigan Licensed Beverage Association.
Alexa Kramer, representing the Grand Rapids Chamber.

Andrew Martin representing Meijer,
Shelly Stahl, representing the Wine Institute.
Brett Visner, representing the Michigan Beer and Wine Wholesalers Association.
Rob Elhenicky, representing the Michigan Wine Producers.

Kerry Krone, Julie Wendt, and David Marvin, representing the Michigan Liquor Control Commission, submitted a card taking no position on SB 1181, but did not wish to speak.

The Chair laid the committee at ease at 8:36 a.m.

The Chair returned the committee to order at 8:42 a.m.

Representative Hauck moved to report Senate Bill 1154 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Moss moved to report Senate Bill 1155 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Dianda moved to report Senate Bill 1156 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Crawford moved to report Senate Bill 1157 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Hoitenga moved to report Senate Bill 1158 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Liberati moved to report Senate Bill 1159 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Webber moved to report Senate Bill 1160 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Griffin moved to report Senate Bill 1161 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Chirkun moved to report Senate Bill 1162 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Bellino moved to report Senate Bill 1163 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Moss moved to report Senate Bill 1164 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Hauck moved to report Senate Bill 1165 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Crawford moved to report Senate Bill 1166 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Hauck moved to report Senate Bill 1167 with recommendation. The motion prevailed 13-1-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: Rep. Reilly.

Pass: None.

Representative Hauck moved to report Senate Bill 1168 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Bellino moved to adopt the substitute (H-2) to Senate Bill 1181. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Webber moved to report Senate Bill 1181 with recommendation as substitute (H-2). The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

The Chair laid HB 6541, HB 6542, and HB 6543 before the committee:

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| HB 6541 (Iden) | Liquor; spirits; discounts and refunds for spirits sold by a specially designated distributor; allow. |
| HB 6542 (VanderWall) | Liquor; licenses; vendor of spirits providing a special licensee with certain brand logoed items; allow. |
| HB 6543 (Iden) | Liquor; licenses; issuance of special license to conduct spirits tasting; provide for. |

Representative VanderWall and Tony Mitchell, representing the Michigan Spirits Association testified in support of 6542. Tony Mitchell also testified in support of HB 6541 and HB 6543.

Rick Wyble, representing the Michigan Craft Distillers Association, testified in support of HB 6543. Questions and discussion followed.

The following people submitted cards in support of HB 6541, HB 6542, and HB 6543 but did not wish to speak:

Brett Visner, representing the Michigan Beer and Wine Wholesalers Association.

Scott Ellis, representing the Michigan Licensed Beverage Association.

Sue Bila, representing the Michigan Festivals and Events Association.

Kerry Krone, Julie Wendt, and David Marvin, representing the Michigan Liquor Control Commission, submitted a card taking no position on HB 6541, HB 6542, and HB 6543, but did not wish to speak.

The Chair laid the committee at ease at 8:58 a.m.

The Chair returned the committee to order at 8:59 a.m.

Matt Miner, representing the Midwest Independent Retailers Association, testified in opposition to HB 6541, but hoped to work with the sponsor to support changes to the bill. Questions and discussion followed.

The Chair laid the committee at ease at 9:01 a.m.

The Chair returned the committee to order at 9:02 a.m.

Representative Hauck moved to report House Bill 6541 with recommendation. The motion prevailed 13-0-1.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: Rep. Bellino.

Representative Hauck moved to report House Bill 6542 with recommendation. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Dianda moved to adopt the substitute (H-1) to House Bill 6543. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Bellino offered the following amendment to HB 6543 (H-1):

1. Amend page 3, line 23, after **“OF”** by striking out **“ALL”** and inserting **“AT LEAST 3”**.

Representative Bellino moved to adopt his amendment to HB 6543 (H-1). The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Hoitenga moved to report House Bill 6543 with recommendation, as amended, as substitute (H-2). The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

The Chair laid HB 6433 and HB 6434 before the committee:

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| HB 6433 (Noble) | Individual income tax; credit; credit for donation to a certain charitable organization; provide for. |
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| HB 6434 (Iden) | Individual income tax; credit; credit for donation to a community foundation; provide for. |
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Rob Collier, representing the Council of Michigan Foundations, and Carrie Pickett-Erway, representing the Kalamazoo Community Foundation, testified in support of the bills.

The Chair laid the committee at ease at 9:08 a.m.

The Chair returned the committee to order at 9:09 a.m.

Anna Almanza, representing the Food Bank Council of Michigan, submitted a card in support of HB 6433, but did not wish to speak.

Paul Connors, representing the Michigan Department of Treasury, submitted a card in opposition to HB 6433 and HB 6434, but did not wish to speak.

The following people submitted cards in support of HB 6433 and HB 6434, but did not wish to speak:

Dennis Fliehman, representing the Capital Region Community Foundation.

Alex Brodrick, representing the Volunteers of American Michigan.

Donna Murray-Brown, representing the Michigan Nonprofit Association.

Tom Hickson, representing the Michigan Catholic Conference.

Rachel Richards, representing the Michigan League for Public Policy.

Mariam Noland, representing the Community Foundation for Southeast Michigan.

Representative Hauck moved to report House Bill 6542 with recommendation. The motion prevailed 13-1-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: Rep. Reilly.

Pass: None.

Representative Bellino moved to adopt the substitute (H-1) to House Bill 6434. The motion prevailed 14-0-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Reilly, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: None.

Pass: None.

Representative Moss moved to report House Bill 6434 with recommendation as substitute (H-1). The motion prevailed 13-1-0.

FAVORABLE ROLL CALL

Yeas: Reps. Iden, Bellino, Crawford, Theis, Webber, Griffin, Hauck, Hoitenga, Moss, Dianda, Chirkun, Liberati, Jones.

Nays: Rep. Reilly.

Pass: None.

Representative Liberati moved to excuse Representative Kesto and Representative Love. There being no objection, the motion prevailed by unanimous consent.

There being no further business before the committee, the Chair adjourned the meeting at 9:12 a.m.

Representative Brandt Iden, Chair_____

Ian Mays, Committee Clerk

House Regulatory Reform Committee